

ISDH Annual Fiscal Report of a Nonprofit Acute Care Hospital

Hospital: Ball Memorial Hospital

Year: 2003 City: Muncie Peer Group: Large

Statement One: Summary of Revenue and Expenses

1. Gross Patient Service Revenue		4. Operating Expenses	
Inpatient Patient Service Revenue	\$244,903,016	Salaries and Wages	\$86,596,246
Outpatient Patient Service Revenue	\$210,807,439	Employee Benefits and Taxes	\$22,585,242
Total Gross Patient Service Revenue	\$455,710,455	Depreciation and Amortization	\$16,383,820
2. Deductions from Revenue		Interest Expenses	\$1,331,880
Contractual Allowances	\$215,233,160	Bad Debt	\$12,490,633
Other Deductions	\$3,788,983	Other Expenses	\$64,948,443
Total Deductions	\$219,022,143	Total Operating Expenses	\$204,336,264
3. Total Operating Revenue		5. Net Revenue and Expenses	
Net Patient Service Revenue	\$232,681,932	Net Operating Revenue over Expenses	\$32,352,048
Other Operating Revenue	\$4,006,380	Net Non-operating Gains over Losses	(\$22,564,951)
Total Operating Revenue	\$236,688,312	Total Net Gain over Loss	\$9,787,097

6. Assets and Liabilities

Total Assets	\$277,807,194
Total Liabilities	\$277,807,194

Statement Two: Contractual Allowances

Revenue Source	Gross Patient Revenue	Contractual Allowances	Net Patient Service Revenue
Medicare	\$231,500,911	\$138,218,073	\$93,282,838
Medicaid	\$40,558,231	\$34,298,825	\$6,259,406
Other State	\$0	\$0	\$0
Local Government	\$0	\$0	\$0
Commercial Insurance	\$183,651,313	\$42,716,262	\$133,139,688
Total	\$455,710,455	\$215,233,160	\$232,681,932

Statement Three: Unique Specialized Hospital Funds

Fund Category	Estimated Incoming Revenue from Others	Estimated Outgoing Expenses to Others	Net Dollar Gain or Loss after Adjustment
Donations	\$0	\$132,500	(\$132,500)

Educational	\$73,204	\$5,462,018	(\$5,388,814)
Research	\$61,785	\$313,387	(\$251,602)

Number of individuals estimated by this hospital that are involved in education	
Number of Medical Professionals Trained In This Hospital	16,382
Number of Hospital Patients Educated In This Hospital	800
Number of Citizens Exposed to Health Education Message	163,249

Statement Four

Annual Summarized Community Benefit Statement on Nonprofit Hospital

This hospital is a nonprofit organization and files an annual community benefit statement with the Department under Indiana Code 16-21-9. Each nonprofit hospital must confirm its mission statement, document the number of persons and dollars allocated under its adopted charity care policy, and describe the progress of the community to achieve specific objectives set by the hospital.

County Location	Delaware	Community Served	Delaware County
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Hospital Mission Statement

A nonprofit teaching hospital dedicated to improving the health of the people and communities we serve.

Unique Services		Type of Initiatives		Document Available	
Medical Research	NO	Disease Detection	YES	Community Plan	YES

Professional Education	YES	Practitioner Education	NO	Annual Statement	YES
Community Education	YES	Clinic Support	YES	Needs Assessment	1999

Allocation of Dollars and Persons Served under Adopted Charity Policy

Most nonprofit hospitals adopt a charity benefit policy to serve the medically indigent. On an annual basis, the hospital will confirm the eligibility and set aside dollars to ensure low-income persons can be offered needed inpatient and outpatient hospital services.

	2001	2002	2003
Persons served in last twelve months	8,199	8,498	6,984
Charity Care Allocation	(\$4,529,098)	(\$5,098,730)	(\$7,236,912)

Hospital Community Benefit Projects and the Projects' Net Cost

On an annual basis, all nonprofit hospitals will report on the progress that the local community has made in reducing the incidence of disease and improving the delivery of health services in the community.

Name of Program and Description of Progress Made in Achieving Annual Objectives	Net Costs of Programs
Community Health Fairs	(\$22,222)
Parenting Education	(\$44,488)
Cancer Education	(\$41,455)
Community Support Groups	(\$21,280)

All other charities	(\$5,739,128)
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Summary of Unreimbursed Costs of Charity Care, Government Funded Programs, and Community Benefits

Based on uniform definitions of costs, each nonprofit hospital must identify the costs of serving its community that are not reimbursed by government and other third party payers.

Specialized Programs	Unreimbursed Costs
1. Total unreimbursed costs of providing care to patients unable to pay, to patients covered under government funded programs, and for medical education, training.	(\$9,446,137)
2. Community Health Education	(\$606,159)
3. Community Programs and Services	(\$5,739,128)
4. Other Unreimbursed Costs	\$0
5. Total Costs of Providing Community Benefits	(\$15,791,424)

Identification of Additional Non-Hospital Charity Costs

In addition, some hospitals will have non-hospital organizations under its ISDH license are providing community benefits in this fiscal year.

Organization Providing Charity Care	Net Costs of Care
None	\$0

For further information on these initiatives, contact:

Hospital Representative: Kim Walker

Telephone number: 765/741-1074

Web Address Information: www.cardinalhealthsystem.org

**ISDH STATISTICAL COMPARISON BETWEEN THIS HOSPITAL
AND OTHER HOSPITALS IN ITS PEER GROUP**

PERFORMANCE INDICATOR	METHODOLOGY	THIS HOSPITAL'S RESULTS	PEER GROUP AVERAGE
1. # of FTE's	Number of Full Time Equivalents	2,096	2,212
2. % of Salary	Salary Expenses divided by Total Expenses	42.4%	37.8%
3. Average Daily Census	Patient Days divided by annual days (365 days)	227.4	237.6
4. Average Length of Stay	Number of Patient Days divided by the Number of Discharges	5.0	5.1
5. Price for Medical/Surgical per stay	Total Medical/Surgical charges divided by Medical/ Surgical discharges	\$3,107	\$3,042

6. Gross Price per Discharge	Gross Inpatient Revenue divided by the Total Discharges	\$14,675	\$17,323
7. Outpatient Revenue Percentage	Outpatient Revenue divided by the Gross Total Revenue	46.3%	40.9%
8. Gross Price per Visit	Gross Outpatient Revenue divided by the Total Outpatient Visits	\$1,244	\$1,022
9. % of Medicare	Medicare Revenue divided by the Gross Patient Revenue	50.8%	37.8%
10. % of Bad Debt	Bad Debt Expense divided by the Gross Operating Expenses	6.1%	4.9%
11. Charity Allocation	Unreimbursed costs of providing services to patients under adopted charity policy	(\$9,446,137)	(\$10,021,313)
12. Net Margin	Excess of Revenue over Expenses divided by the Total Operating Revenue	13.7	4.3

Notes:

1. NR = Not Reported
2. See Statewide Results for definitions of terms.